

# Policies for the future of farming and food in the European Union: focus on innovation

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**ModernAKIS webinar**



# How to set a course toward more sustainable agriculture in Europe?

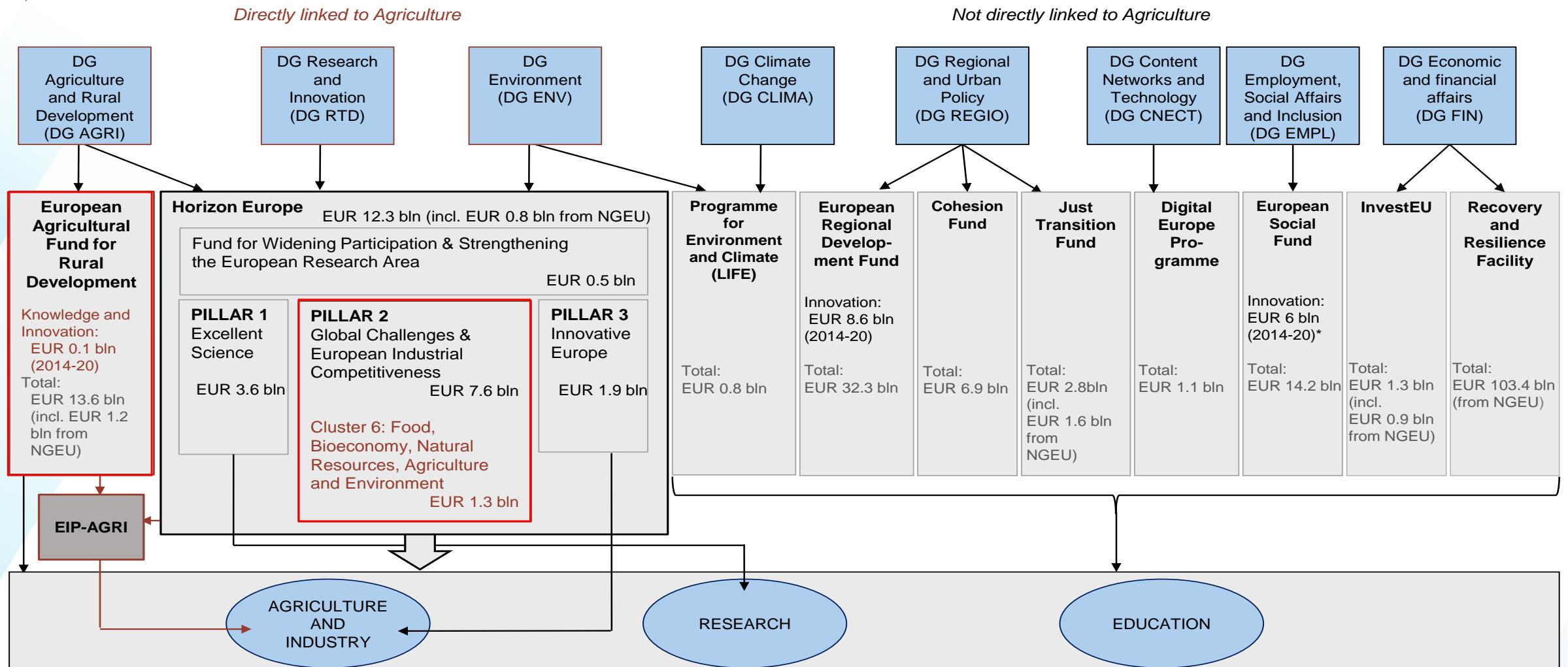
- European Green Deal and associated strategies call for transforming the EU economy
- Research and innovation (R&I) policies are key levers of the transformation
- CAP recognizes this central role of knowledge and innovation



# Innovation in the EU: Focus areas

- Financial ecosystem
- Agricultural knowledge and innovation system (AKIS)
- Skills needs
- Data and evidence needs

# Instruments that benefit agricultural innovation need to be well coordinated

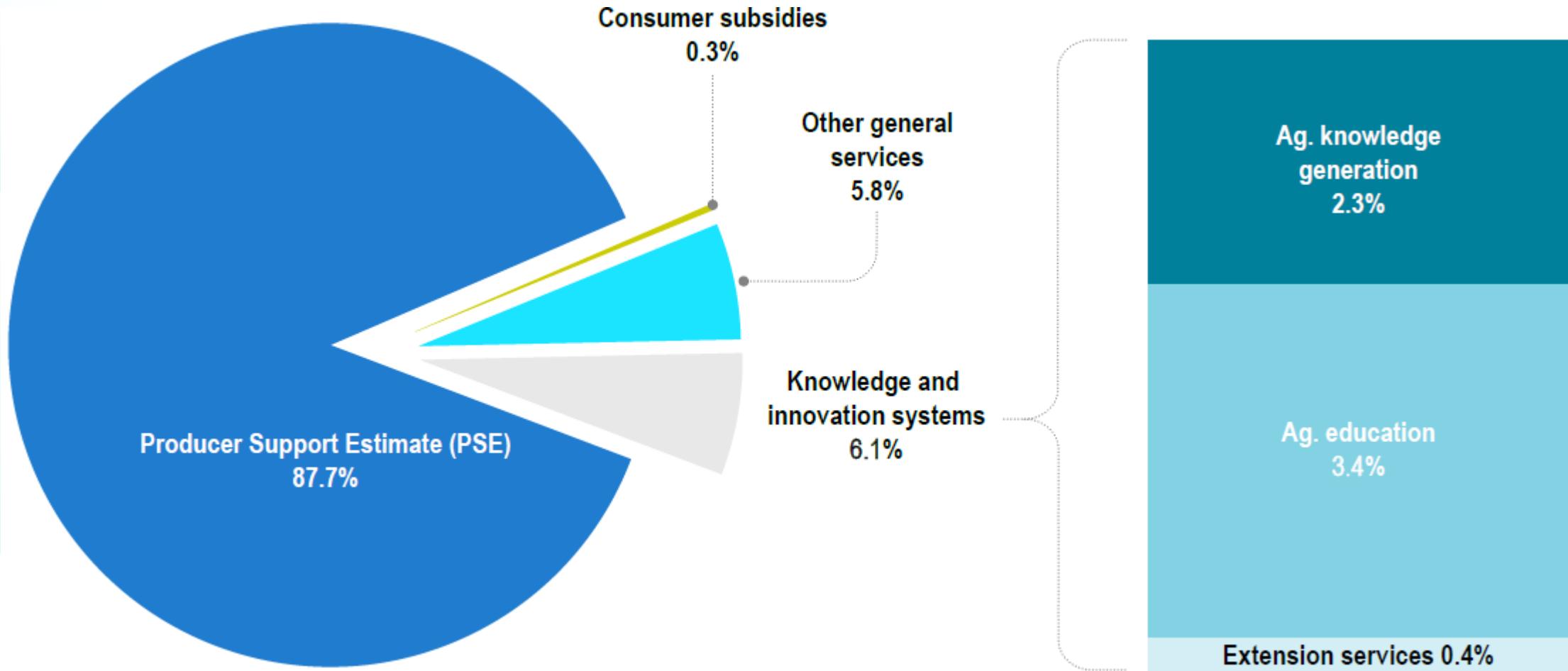


→ Funding: amounts refer to the annual average for the MFF 2021-27, unless otherwise stated

\*In education and technical assistance

EUR / EUR / EUR : Funding for innovation in agriculture / Funding for general innovation / Total non-specific funding

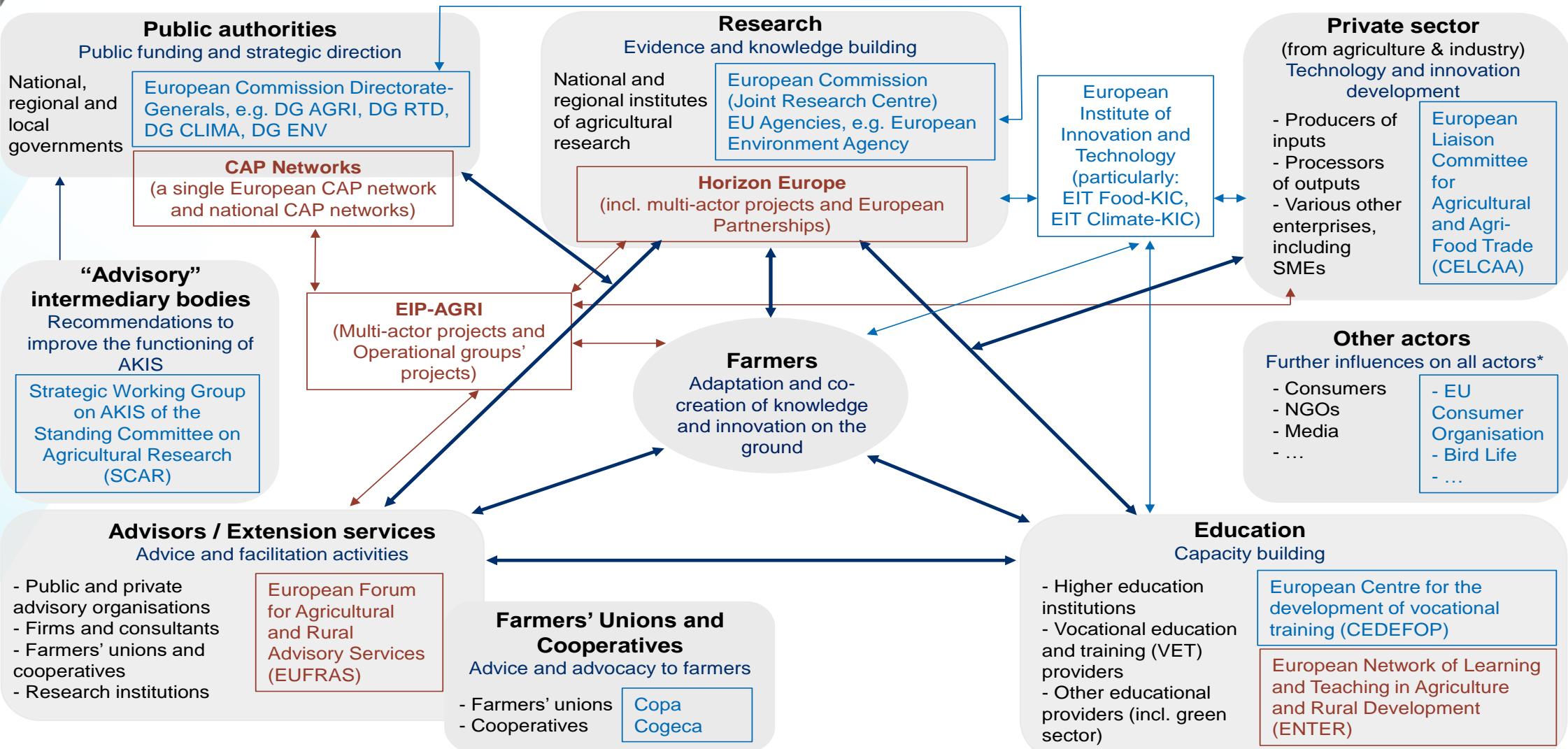
# EU as a catalyst for research and innovation but resources to AKIS are relatively limited



Note: 2019-21 average. European Union refers EU28 for 2019; and EU27 and the United Kingdom for 2020; and EU27 for 2021.

Source: OECD (2022), "Producer and Consumer Support Estimates" database

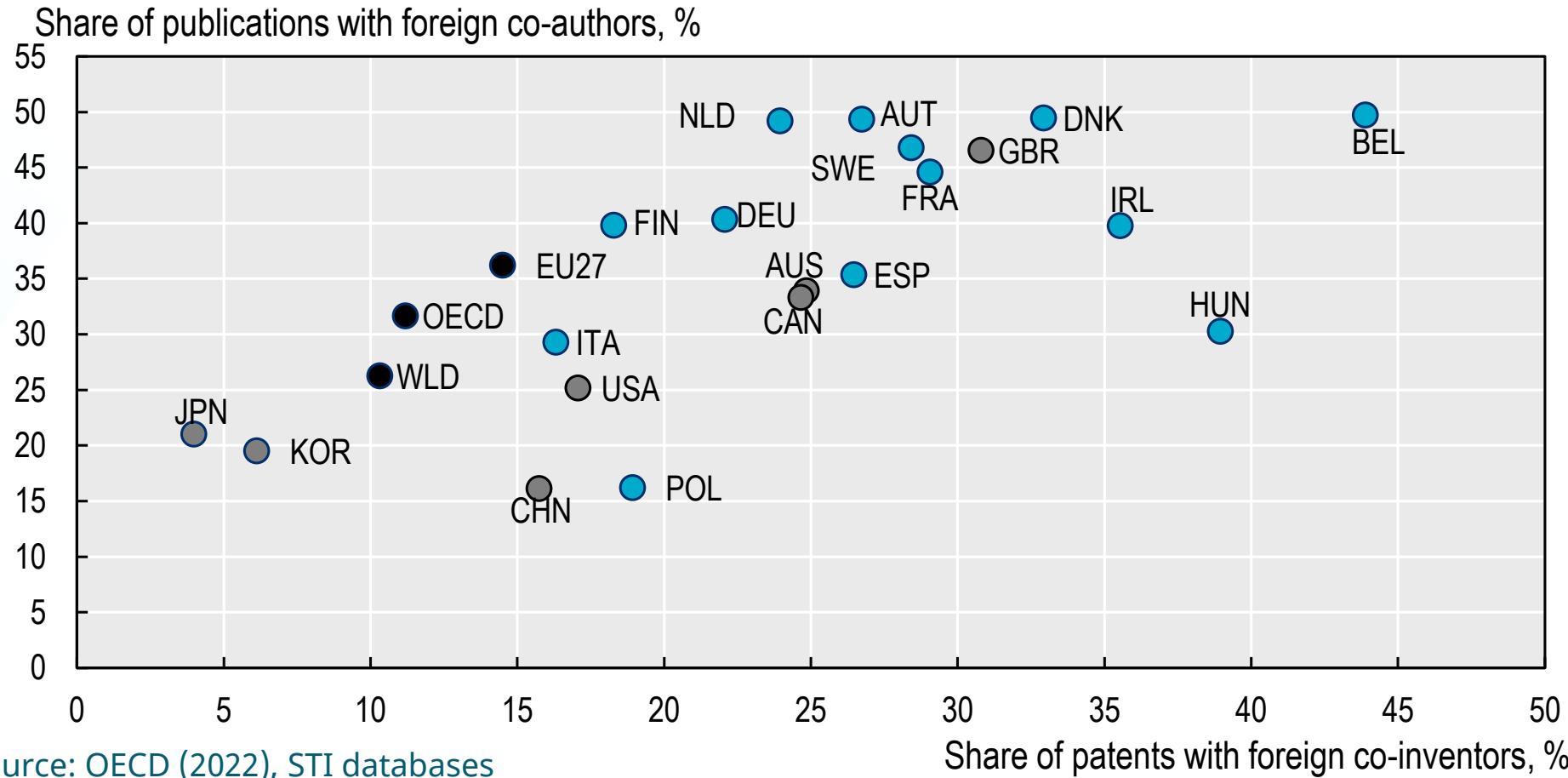
# The EC provides a well-functioning framework for the complex system of AKIS actors



Examples of: EU-level actors, national actors, EU instruments, networks and initiatives; \* selected arrows not shown for simplification



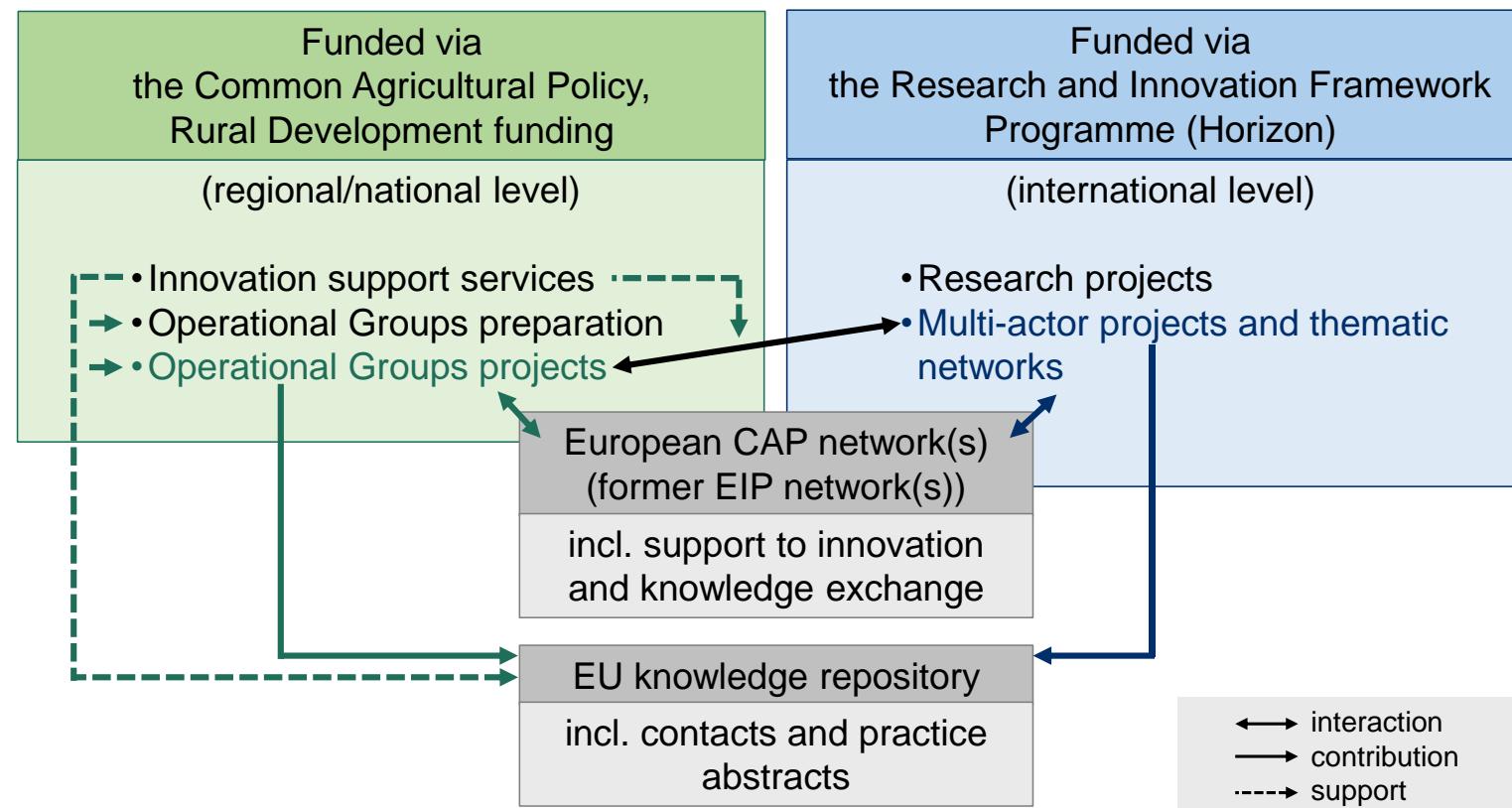
# Research and innovation programming is good at fostering cooperation between countries





# EIP-AGRI is a promising mechanism for fostering co-creation of knowledge and innovation

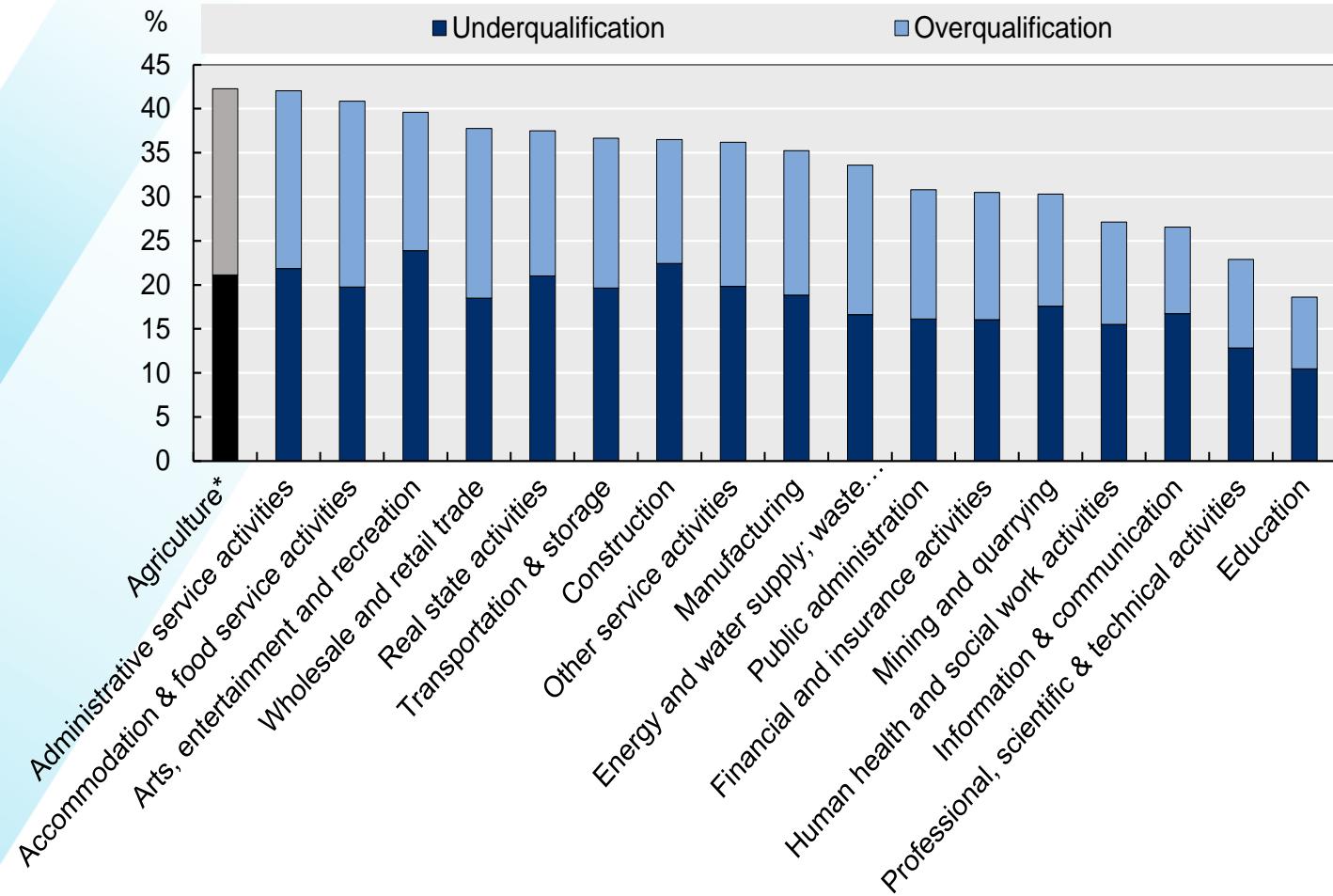
- EIP-AGRI is based on the principles of the interactive innovation model
- Operational Groups (OGs) can serve as a space for learning both practices and policies





# A robust skills agenda is needed to support the transformation of the sector

## Qualification mismatches in the European Union



Source: OECD (2022), Skills for Jobs database

## Long-term skills needs identified by the EU Member States



Note: N=21

Source: OECD (2022), EU Member States survey



# Farm advisory services are often not sufficiently well geared for the future needs

- Advice and training for farmers are essential for
  - helping farmers find solutions,
  - leading to greater uptake of innovation and
  - boosting sustainability of the sector.
- Funding for relevant policy instruments is marginal within the overall CAP budget
- Demand for advice seems to be fragmented



# Recommendations



# How to advance in reconciling productivity and sustainability?

Area	<b>15 Recommendations - 41 actions for the current and next programming period</b>
Payments	<ol style="list-style-type: none"><li>1. Align CAP <b>budget allocation</b> with stated priorities</li><li>2. Link payment to <b>monitorable performance</b></li><li>3. Transition to <b>targeted income support</b></li><li>4. Ensure that CAP payments <b>do not create barriers to entry</b></li></ol>
Regulations	<ol style="list-style-type: none"><li>5. Enhance <b>regulatory design</b></li><li>6. Refocus the role of <b>cross-compliance</b></li></ol>
Innovation	<ol style="list-style-type: none"><li>7. Bring <b>innovation to the centre</b> of EU agricultural policy</li><li>8. Steer innovation efforts towards <b>sustainability</b></li><li>9. Build a new and strong <b>skills agenda</b></li></ol>
Data strategies	<ol style="list-style-type: none"><li>10. Strengthen the <b>agro-food data strategy</b></li><li>11. Enhance <b>digitalisation</b></li><li>12. Facilitate policy learning by addressing <b>data gaps</b></li></ol>
Environmental services	<ol style="list-style-type: none"><li>13. Promote <b>collective action</b></li><li>14. Transform voluntary schemes into <b>result-based payments</b></li><li>15. Introduce <b>reporting on results</b> and ex-ante assessment</li></ol>



# Bring innovation to the centre of EU agricultural policy

- Encourage EU Member States to establish their own **agro-food innovation strategies** that are fully **integrated into the CAP SPs** and consistent with the EU strategy
- Transform long-term agricultural innovation strategy into a **strong policy programming tool** that effectively links different policy areas
- Undertake a **systematic evaluation** of the functioning of EIP-AGRI Operational Groups and their outcomes



# Build a new and strong skills agenda

- Improve the assessment and **outlook of skills requirements** for the agricultural sector
- Develop an ambitious **skills agenda** for the EU agro-food sector and promote [...] the **inclusion of specific measures in the CSPs**
- **Strengthen the system of advisory services**, in particular in the areas of sustainable environmental practices
- Upskill farmers via a **lifelong learning approach** as an integral part of payments for environmental services



## Steer innovation efforts towards sustainability

- Use the AKIS strategy and the skills agenda to **increase farmers' awareness of the role of innovation** in tackling productivity-sustainability trade-offs
- Strengthen the **participation of farmers in the AKIS**, both in identifying the environmental challenges and in co-creating solutions



## **Strengthen data-driven policy design, assessment and monitoring**

- Continue to **improve the quality** and availability of existing indicators
- Identify and address **data gaps** to fully adopt a performance-based approach
- Enhance **digital technologies** to better monitor policies, but also to strength advisory services



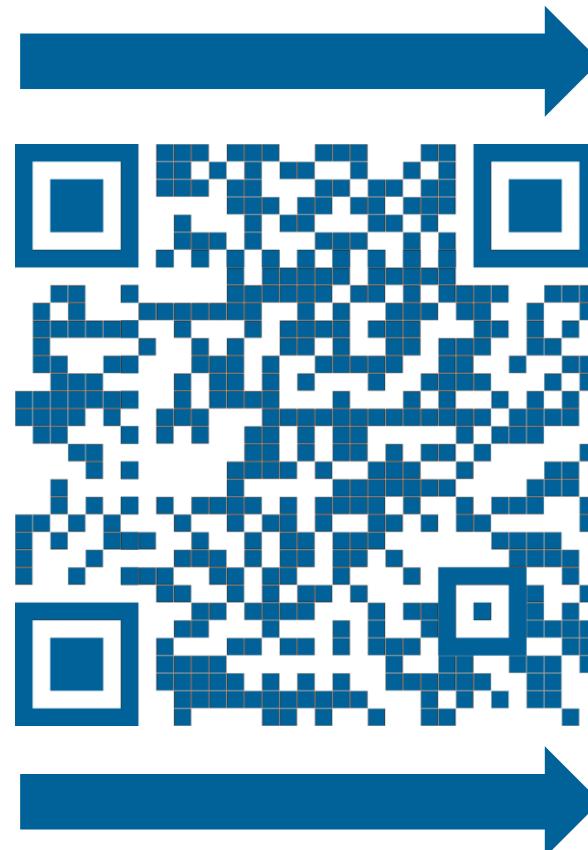
# Main message

Innovation is the key driver  
to reconcile productivity and sustainability ambitions of the EGD

Despite a strong overall cross-border innovation system  
sustained by Horizon Europe,  
innovation, data and digitalisation  
are not yet the cornerstone of the CAP and  
the current policy and regulatory environment  
could prevent innovation



# Thank you for your attention



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